## **PolicyLink**

January 12, 2015

Chairman Tom Wheeler
Commissioner Mignon Clyburn
Commissioner Ajit Pai
Commissioner Jessica Rosenworcel
Commissioner Michael O'Rielly
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Comcast-Time Warner Cable: Proceeding #14-57

Dear Chairman Wheeler, Commissioner Clyburn, Commissioner Pai, Commissioner Rosenworcel, and Commissioner O'Rielly:

PolicyLink is writing to respectfully urge you to secure a <u>public benefit</u> from the proposed Comcast acquisition of Time Warner Cable (TWC) and trade of service territory with Charter Communications in the form of the 5 Recommendations below to ensure acceptable performance on the Comcast affordable offer called Internet Essentials (CIE).

As a non-profit focused on advancing economic and social equity on behalf of low-income people and communities of color we are deeply concerned about the increasing disparities across our country with a full quarter of the population being stuck on the wrong side of the Digital Divide and being left behind at an accelerating pace. The United States cannot be competitive globally with so many of its people unable to participate fully in the economy nor reach their highest potential for creativity and productivity.

Today, 25% of all California and U.S. households do not have high-speed Internet access at home. This impacts the quality of life and economic vitality in all of our communities and deprives millions of people of a path to self-sufficiency.

Since its founding 16 years ago, PolicyLink has advocated at the local, state, and federal levels for a farreaching digital inclusion policy agenda to assure that low-income people and communities of color and the organizations that serve them have high speed internet access and relevant content for participating in the 21<sup>st</sup> century technology-driven economy. Universal high speed, affordable internet access is now an economic imperative for the State of California. If the state leaves behind 25 percent of its population in making the transition to the digital age, the entire state's economy is at risk from not having a technology literate workforce and from potentially isolating a segment of its consumer base from the digital marketplace. Additional, affordable internet access is essential for delivering on the promise of an equitable society, one that is fair, just, and allows everyone to participate, prosper, and reach their full potential.

Federal law says there must be a finding of public benefit to approve the proposed Comcast acquisition of Time Warner Cable and exchange of service territory with Charter Communications. This review process provides an opportunity for the FCC to hold Comcast accountable to improve its Internet Essentials program and achieve acceptable performance. Comcast launched Internet Essentials, a \$9.95-a-month broadband plan for families of students eligible to receive free or reduced school lunch, to secure federal government approval to purchase NBC Universal in 2010. While this is a very good price point for affordability, the program currently is failing to reach millions of Americans who could benefit most from an affordable connection to the Internet.

In three years, Comcast has signed up only 14% of currently-eligible households because of several problems with the subscription process and the lack of sincere partnerships with trusted

organizations that know how to reach and engage the key populations.

Conservative analysis shows that an estimated 1.375 million California households would be eligible for Internet Essentials in the new combined service territory of 3.7 million households. That will include more than 3 million K-12 students—87% of all California students qualifying for free-or-reduced lunch. Thus, for California, this corporate consolidation is the "ballgame" and we need your support to secure a widely-available affordable broadband program. We urge your action to ensure *Internet for All Now*.

We strongly urge you to require the following **5 Recommendations** if you approve the Comcast-TWC-Charter corporate consolidation:

- Include All Low-Income Households: Extend Comcast Internet Essentials to all low-income households, in addition to those with school children. Low-income seniors, people with disabilities and returning veterans are not covered today.
- Set Performance Goals: Set a goal for Comcast to increase Internet Essentials subscribership
  for expanded eligible households to reach 45% in 2 years, and to continue the program until
  80% adoption is achieved in all low-income neighborhoods in each major market within the
  combined service territories.
- 3. Capitalize an Independent Fund and Coordinate with States: Work through and collaborate with states that have an adopted plan to close the Digital Divide. In states, such as California, that are major Comcast-TWC markets and have a strategic plan to close the Digital Divide, require Comcast to dedicate a sufficient amount to an independently-managed fund to engage experienced community-based organizations, libraries and schools to assist in achieving the 45% subscription sign-ups and overall 80% adoption rate. The management of such a fund should be selected by a state agency through an open competitive process.
- 4. Establish an Advisory Oversight Committee: Establish a national advisory oversight committee to provide feedback and input to the FCC in monitoring performance and progress. The program has been riddled with problems and there is a lack of transparency on data regarding eligibility and progress. There must be a reliable process and mechanism for public accountability.
- Offer Stand-Alone Internet Service: Offer all consumers the opportunity to purchase standalone Internet access at a reasonable rate instead of being forced to pay for bundled services.

Now is the time to hold Comcast accountable for delivering a real, measurable public benefit. In fact, the same requirements should be a condition of all pending corporate mergers or acquisitions. Our nation's economic well-being and ability to compete globally are at risk unless we get all residents connected to high-speed Internet access at home. You have all the power and authority to ensure *Internet for All Now.* 

Sincerely,

Angela Glover Blackwell Founder and CEO

PolicyLink